

**CITY OF TAKOMA PARK**  
**GENERAL FUND**  
**FINANCIAL REPORT**  
**FOR THE NINE MONTHS**  
**ENDED MARCH 31, 2006**

## **EXECUTIVE SUMMARY**

The General Fund supports the day-to-day activities of the City, such as police protection, street and park maintenance, and general administrative functions. The General Fund's activities are supported primarily from two sources: taxes and utility fees and intergovernmental revenues.

Certain General Fund revenues are cyclical in nature. For example, property tax receipts and tax duplication payments are received during a certain period of time during the year. Other revenue sources are received on a monthly basis and, as a result, are more evenly distributed throughout the fiscal year.

The largest single source of revenue for the City's general operations is real property taxes. Total collections as of March 31, 2006 totaled \$7,113,717, an increase of \$482,485 from the prior year. Revenues from personal property taxes were up by \$26,581. Payments made for railroad and public utilities totaled \$167,047—higher than the budgeted amount of \$159,750.

State police protection revenues as of March 31, 2006 were \$163,606 higher compared to the prior year. The increase is partially attributable to the Community Center construction. Expenditures related to the public safety portion of the facility were taken into account in determining the State's funding level.

Tax duplication payments received from Montgomery County also increased compared to the same period in FY05. Revenues from the various duplication payments were up by \$359,508.

Income tax receipts exceeded prior year revenues by \$135,414. Revenues from the use of money and property were up by \$42,921. Receipts from licenses and permits as of March 31, 2006 exceeded prior year revenues by \$30,905; however, this appears to be a matter of timing.

The City receives franchise fees and operating monies from the two cable television companies operating within its boundaries. Combined, revenues from these sources increased by \$56,348 compared to the prior year.

In FY05, the City borrowed \$2,005,000 for street rehabilitation. The loan proceeds were received during the first quarter of the fiscal year.

Like General Fund revenues, not all fund expenditures occur evenly throughout the fiscal year. For example, contributions to the City's two pension plans are made in December. This can result in "peaks" in expenditures at certain times during the fiscal year.

General Fund expenditures as of the close of the third quarter totaled \$11,110,798 compared to \$10,230,644 in FY05. The majority of the variance is attributable to increased personnel-related expenditures in the current fiscal year.

Some variances reflect a different accounting methodology for certain expenditures. For example, expenditures related to the City Clerk's Office are accounted for in a newly created division within the General Government Department. The cost of maintaining the City's gardens, previously accounted for in the Urban Forest Division of Public Works, is now reflected in a separate departmental division. Additionally, car and clothing allowances for all police personnel were previously budgeted in the Office of the Chief. In the FY06 budget, this cost is now allocated to the various departmental divisions.

Expenditures for the Administration Division of Public Works were less than the prior year due to the vacancy in the Public Works Director position. Expenditures in the Right-of-Way Division were down as of March 31, 2006. This was partially attributable to lower costs for snow removal in the current fiscal year.

The position of Grants Manager became vacant during FY05. The position was not filled for the remainder of the year and was subsequently eliminated. Department heads are now responsible for administration of grants received by their departments, with oversight provided by the City Manager and the Finance Department.

Debt service payments as of March 31, 2006 were up by \$420,465 compared to the prior year. The majority of the variance is attributable to the street loan taken out in July 2005; no principal payment was made in FY05. Additionally, the first payment on the second Community Center bond issue was made in FY06.

Other significant variances occurred in non-departmental expenditures and capital outlay. Non-departmental expenditures were less than in the prior fiscal year due to reduced costs for liability insurance. The City received a credit based on its claims experience in past years, which was applied as an offset to premium in FY06; the City will receive a credit for the next two years as well. Capital outlay expenditures are significantly higher in FY06 compared to the prior year due to the expenditure of street loan proceeds.

**GENERAL FUND REVENUES  
FOR THE NINE MONTHS ENDED  
MARCH 31, 2006**

<b>REVENUES BY SOURCE:</b>	<b>Budgeted FY 2006</b>	<b>Actual To Date</b>	<b>Uncollected Revenue</b>	<b>% Collected</b>	<b>Prior Year Actual To Date</b>	<b>Change from Prior Year</b>
<u><b>Taxes and Utility Fees</b></u>						
Real Property	7,247,406	7,113,717	133,689	98.16%	6,631,232	482,485
Personal Property	367,425	293,819	73,606	79.97%	267,238	26,581
Railroad and Public Utilities	159,750	167,047	(7,297)	104.57%	213,080	(46,033)
Penalties and Interest	32,000	1,561	30,439	4.88%	16,247	(14,686)
Admission and Amusement	100	123	(23)	123.00%	0	123
Additions and Abatements	0	(33,708)	33,708	n/a	(24,716)	(8,992)
Highway	598,158	326,032	272,126	54.51%	314,033	11,999
Income Tax	1,571,000	984,929	586,071	62.69%	849,515	135,414
<b>Total--Taxes and Utility Fees</b>	<b>9,975,839</b>	<b>8,853,520</b>	<b>1,122,319</b>	<b>88.75%</b>	<b>8,266,629</b>	<b>586,891</b>
<b>Licenses and Permits</b>	<b>66,854</b>	<b>44,516</b>	<b>22,338</b>	<b>66.59%</b>	<b>13,611</b>	<b>30,905</b>
<b>Fines and Forfeitures</b>	<b>186,000</b>	<b>148,664</b>	<b>37,336</b>	<b>79.93%</b>	<b>135,078</b>	<b>13,586</b>
<b>Use of Money and Property</b>	<b>106,000</b>	<b>135,868</b>	<b>(29,868)</b>	<b>128.18%</b>	<b>92,947</b>	<b>42,921</b>
<u><b>Charges for Services</b></u>						
Inspection Fees	220,000	(9,940)	229,940	-4.52%	266	(10,206)
Donations	5,000	135	4,865	2.70%	2,315	(2,180)
Public Parking Facilities	54,000	24,502	29,498	45.37%	28,227	(3,725)
Waste Collection & Disposal Charges	76,000	(4,408)	80,408	-5.80%	(2,875)	(1,533)
Recreation Programs and Services	210,000	161,652	48,348	76.98%	167,078	(5,426)
Fines--Library	15,000	9,683	5,317	64.55%	8,557	1,126
<b>Total--Charges for Services</b>	<b>580,000</b>	<b>181,624</b>	<b>398,376</b>	<b>31.31%</b>	<b>203,568</b>	<b>(21,944)</b>
<u><b>Intergovernmental Revenues</b></u>						
Police Protection (State)	450,000	357,678	92,322	79.48%	194,072	163,606
SCCP Grant	0	0	0	n/a	3,500	(3,500)
Bank Share Tax	5,643	0	5,643	0.00%	5,643	(5,643)
Library Aid	89,670	103,573	(13,903)	115.50%	90,482	13,091
Police Rebate	552,183	564,669	(12,486)	102.26%	454,884	109,785
In Lieu of Police	2,344,286	2,322,023	22,263	99.05%	2,061,318	260,705
In Lieu of Roads Maintenance	430,079	430,079	0	100.00%	339,903	90,176
In Lieu of Parks Maintenance	71,670	71,670	0	100.00%	71,740	(70)
In Lieu of Crossing Guard	130,435	130,435	0	100.00%	121,738	8,697
Takoma/Langley Rec. Agreement	100,000	25,000	75,000	25.00%	25,000	0
Hotel Motel Tax	65,000	47,167	17,833	72.56%	40,484	6,683
Cable Franchise Fees	141,932	117,013	24,919	82.44%	76,179	40,834
Cable--Operating	59,448	30,014	29,434	50.49%	14,500	15,514
<b>Total--Intergovernmental Revenues</b>	<b>4,440,346</b>	<b>4,199,321</b>	<b>241,025</b>	<b>94.57%</b>	<b>3,499,443</b>	<b>699,878</b>
<u><b>Miscellaneous</b></u>						
Tree Fund	15,000	15,000	0	100.00%	0	15,000
Advertising--Bus Shelters	4,000	4,948	(948)	123.70%	4,492	456
Farmer's Market	3,500	3,120	380	89.14%	0	3,120
Other	29,900	18,392	11,508	61.51%	18,652	(260)
Telephone Commissions	200	173	27	86.50%	187	(14)
Recyclable Sales	1,000	7,453	(6,453)	745.30%	5,261	2,192
Insurance Claims	1,000	1,273	(273)	127.30%	17,767	(16,494)
Sale of City Property	0	2,451	(2,451)	n/a	0	2,451
Mulch Sales	12,000	6,971	5,029	58.09%	2,065	4,906
Passport Services	30,000	17,994	12,006	59.98%	19,171	(1,177)
Takoma Langley Crossroads	3,333	3,334	(1)	100.03%	0	3,334
Special Trash Pickup	8,000	6,471	1,529	80.89%	5,112	1,359
Sales Tax	0	0	0	n/a	23	(23)
WSSC	25,000	0	25,000	0.00%	72,253	(72,253)
WAH Administration Fee	26,000	0	26,000	0.00%	0	0
Day Laborer Site	39,000	39,000	0	100.00%	0	39,000
Takoma Foundation Grant	91,947	91,947	0	100.00%	0	91,947
<b>Total--Miscellaneous</b>	<b>289,880</b>	<b>218,527</b>	<b>71,353</b>	<b>75.39%</b>	<b>144,983</b>	<b>73,544</b>
<b>Total Operating Revenues</b>	<b>15,644,919</b>	<b>13,782,040</b>	<b>1,862,879</b>	<b>88.09%</b>	<b>12,356,259</b>	<b>1,425,781</b>
Bond/Loan Proceeds	0	0	0	n/a	2,005,000	(2,005,000)
Sale of City-Owned Real Property	388,000	10,000	378,000	2.58%	0	10,000
<b>Total Revenues</b>	<b>16,032,919</b>	<b>13,792,040</b>	<b>2,240,879</b>	<b>86.02%</b>	<b>14,361,259</b>	<b>(569,219)</b>

**GENERAL FUND EXPENDITURES  
FOR THE NINE MONTHS ENDED  
MARCH 31, 2006**

<b>DEPARTMENT:</b>	<b>Budgeted FY 2006</b>	<b>Expenditures To Date</b>	<b>Available Balance</b>	<b>% Unexpended</b>	<b>Prior Year Actual To Date</b>	<b>Change from Prior Year</b>
<u>General Government</u>						
Legislative	96,400	54,969	41,431	42.98%	41,131	13,838
General Management	734,232	500,300	233,932	31.86%	595,105	(94,805)
Finance	406,350	294,074	112,276	27.63%	384,936	(90,862)
Legal	164,150	86,818	77,332	47.11%	91,068	(4,250)
Information Systems	249,226	193,994	55,232	22.16%	176,219	17,775
Human Resources	113,682	67,314	46,368	40.79%	82,888	(15,574)
City Clerk	176,909	88,873	88,036	49.76%	0	88,873
<b>Total--General Government</b>	<b>1,940,949</b>	<b>1,286,342</b>	<b>654,607</b>	<b>33.73%</b>	<b>1,371,347</b>	<b>(85,005)</b>
<u>Public Safety</u>						
Office of the Chief	326,637	263,601	63,036	19.30%	334,609	(71,008)
Communications	376,492	178,183	198,309	52.67%	222,214	(44,031)
Operations	2,659,609	2,183,625	475,984	17.90%	2,091,511	92,114
Support Services	655,955	419,251	236,704	36.09%	325,726	93,525
Administrative Services	623,688	406,217	217,471	34.87%	425,869	(19,652)
<b>Total--Public Safety</b>	<b>4,642,381</b>	<b>3,450,877</b>	<b>1,191,504</b>	<b>25.67%</b>	<b>3,399,929</b>	<b>50,948</b>
<u>Public Works</u>						
Administration	288,557	173,949	114,608	39.72%	217,801	(43,852)
Building Maintenance	609,113	449,277	159,836	26.24%	398,315	50,962
Equipment Maintenance	454,210	316,574	137,636	30.30%	330,737	(14,163)
Right-of-Way	806,150	554,507	251,643	31.22%	639,736	(85,229)
Solid Waste Management	751,213	528,806	222,407	29.61%	535,350	(6,544)
Gardens	149,957	106,568	43,389	28.93%	0	106,568
Urban Forest	219,367	156,088	63,279	28.85%	240,739	(84,651)
City Engineer	173,230	70,799	102,431	59.13%	114,476	(43,677)
<b>Total--Public Works</b>	<b>3,451,797</b>	<b>2,356,568</b>	<b>1,095,229</b>	<b>31.73%</b>	<b>2,477,154</b>	<b>(120,586)</b>
<u>Recreation</u>						
Administration	341,490	237,930	103,560	30.33%	257,051	(19,121)
Outreach	191,004	115,677	75,327	39.44%	84,873	30,804
TP Recreation Center	183,286	115,674	67,612	36.89%	122,697	(7,023)
Community Programs	78,633	55,618	23,015	29.27%	53,684	1,934
Athletic Fields/Facilities	73,670	29,815	43,855	59.53%	25,227	4,588
Camps	78,643	30,704	47,939	60.96%	60,242	(29,538)
After School Programs	60,761	28,203	32,558	53.58%	33,394	(5,191)
Community Center	101,747	33,404	68,343	67.17%	0	33,404
<b>Total--Recreation</b>	<b>1,109,234</b>	<b>647,025</b>	<b>462,209</b>	<b>41.67%</b>	<b>637,168</b>	<b>9,857</b>
<u>Housing &amp; Comm. Dev.</u>						
Administration	108,462	72,742	35,720	32.93%	62,195	10,547
Code Enforcement	300,838	208,095	92,743	30.83%	199,382	8,713
Landlord-Tenant	129,866	81,209	48,657	37.47%	81,324	(115)
COLTA	110,930	62,672	48,258	43.50%	72,056	(9,384)
Community Development	316,652	199,612	117,040	36.96%	165,438	34,174
Grants Management	0	0	0	n/a	64,732	(64,732)
Affordable Housing	125,173	68,723	56,450	45.10%	38,665	30,058
<b>Total--Housing &amp; Comm. Dev.</b>	<b>1,091,921</b>	<b>693,053</b>	<b>398,868</b>	<b>36.53%</b>	<b>683,792</b>	<b>9,261</b>
Media	347,919	243,935	103,984	29.89%	234,774	9,161
<u>Library</u>						
Library	803,147	529,956	273,191	34.02%	519,615	10,341
Computer Learning Center	63,025	14,088	48,937	77.65%	0	14,088
<b>Total--Library</b>	<b>866,172</b>	<b>544,044</b>	<b>322,128</b>	<b>37.19%</b>	<b>519,615</b>	<b>24,429</b>
Debt Service	892,484	565,059	327,425	36.69%	144,594	420,465
Non-Departmental	886,815	253,418	633,397	71.42%	370,878	(117,460)
Capital Outlay	2,202,562	1,070,477	1,132,085	51.40%	391,393	679,084
<b>Total</b>	<b>17,432,234</b>	<b>11,110,798</b>	<b>6,321,436</b>	<b>36.26%</b>	<b>10,230,644</b>	<b>880,154</b>